

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
NEW ALBANY DIVISION

IN RE: : CASE NO. 10-93904-BHL-11

EASTERN LIVESTOCK CO., LLC, : (Judge Basil H. Lorch III)

Debtor. : **REPLY OF THE FIRST BANK AND**
: **TRUST COMPANY TO**
: **FIFTH THIRD BANK'S**
: **OBJECTION TO FIRST BANK'S**
: **MOTION TO MODIFY PLAN**
: **INJUNCTION**
: _____

The arguments raised in First Bank's Reply to the Eastern Livestock Trustee's Objection apply equally to the objections raised by Fifth Third Bank ("Fifth Third") as well. Nearly all of Fifth Third's objections are premised on the assumption that First Bank is seeking a determination in this Court that Eastern Livestock Co., LLC ("ELC") has no claim to the Commodity Account Funds. That is clearly not the case.

While, as Fifth Third asserts, ELC may have a variety of claims against the Gibson estate, none of those claims (e.g., the claim arising out of the promissory note referenced in ELC's proof of claim) are even remotely relevant to the Motion or proposed complaint to the extent that they merely assert unsecured claims against the Gibson estate. While Fifth Third speculates that ELC may have other equitable defenses to the application of Section 546(a), ELC's response does not assert that ELC possesses any such defenses and the relief sought in the Motion before the Court does not prevent ELC from raising such defenses, if any, in any future proceedings in the Gibson Case. Moreover, the distinction between a jurisdictional bar and an

affirmative defense is irrelevant as a practical matter where the parties in interest are fully aware of the existence of the defense and have every intention of asserting it.

Fifth Third's further assertion, that the possible existence of the Trustee's setoff rights or other defenses to claims that might be brought by the Gibson Trustee against the ELC Estate somehow precludes the Court from determining the claims to the Commodity Account Funds, is irrelevant even if First Bank's Motion had sought to determine that ELC is barred from asserting an avoidance action relating to the Commodity Account Funds by reason of Section 546(a). The law is well settled that an avoidance action that is barred by Section 546(a) may nevertheless be asserted by way of setoff or counterclaim.

Nor does the Motion before the Court seek to adjudicate the ELC Trustee's proof of claim that was filed in the Gibson Case. The Gibson Case is the proper forum in which to adjudicate claims to the Commodity Account Funds held by the Gibson Trustee and to address the ELC Trustee's proof of claim.

Finally, Fifth Third's statement that the Motion presumes that Fifth Third has no independent claim to Commodity Account Funds is misplaced and neither relevant nor germane in the context of this Motion; the Gibson Case is the proper forum to address the arguments of Fifth Third, Fifth Third being not only a participant in that case but also a named party in First Bank's proposed complaint.

CONCLUSION

For the reasons stated in First Bank's Reply to Eastern Livestock Trustee's Objection to First Bank's Motion to Modify Plan Injunction and for the reasons stated above,

First Bank's Motion seeking this Court's permission to name ELC as a party to the proposed complaint to be filed in the Gibson Case should be granted.

Respectfully submitted,

/s/ Bret S. Clement

Bret S. Clement (#3708-49)
Ayres Carr & Sullivan, P.C.
251 East Ohio Street, Suite 500
Indianapolis, IN 46204-2184
Tel. 317-636-3471/Fax 317-636-6575
E-mail: bclement@acs-law.com

Attorneys for The First Bank and Trust
Company

CERTIFICATE OF SERVICE

I certify that on the 24th day of March, 2014, I electronically filed the foregoing Reply of The First Bank and Trust Company to Fifth Third Bank's Objection to First Bank's Motion to Modify Plan Injunction with the Clerk of Courts using the CM/ECF system, which will send notification of such filing to CM/ECF participants, and I hereby certify that I have mailed by United States Postal Service the document to the non-CM/ECF participants:

David L. Abt davidabt@mwt.net	C. R. Bowles, Jr cbowles@ bgdlegal.com	John Hunt Lovell john@lovell-law.net
Mark A. Robinson mrobinson@vhrlaw.com	Jeffrey R. Erler jerler@ghjhlaw.com	Edward M King tking@fbtlaw.com
Randall D. LaTour rdlatour@vorys.com	John R. Carr, III jrciii@acs-law.com	Bret S. Clement bclement@acs-law.com
Terry E. Hall terry.hall@faegrebd.com	Kevin M. Toner kevin.toner@faegrebd.com	John Frederick Massouh john.massouh@sprouselaw.com
John W. Ames james@bgdlegal.com	Robert Hughes Foree robertforee@bellsouth.net	Kim Martin Lewis kim.lewis@dinslaw.com
Jeremy S Rogers Jeremy.Rogers@dinslaw.com	Ivana B. Shallcross ishallcross@bgdlegal.com	Deborah Caruso dcaruso@daleeke.com
Meredith R. Thomas mthomas@daleeke.com	William Robert Meyer, II rmeyer@stites.com	Allen Morris amorris@stites.com
Charles R. Wharton Charles.R.Wharton@usdoj.gov	James Bryan Johnston bjtexas59@hotmail.com	James T. Young james@rubin-levin.net
David L. LeBas dlebas@namanhowell.com	Judy Hamilton Morse judy.morse@crowedunlevy.com	John M. Thompson john.thompson@crowedunlevy.com
Suzanne M Shehan suzanne.shehan@kutakrock.com	John Huffaker john.huffaker@sprouselaw.com	Matthew J. Ochs kim.maynes@moyewhite.com
Laura Day Delcotto ldelcotto@dlgfirm.com	Kelly Greene McConnell lisahughes@givenspursley.com	Andrew James Vandiver avandiver@aswdlaw.com
Todd J. Johnston tjohnston@mcjllp.com	Timothy T. Pridmore tpridmore@mcjllp.com	Theodore A Konstantinopoulos ndohbky@jbandr.com
Karen L. Lobring lobring@msn.com	Sandra D. Freeburger sfreeburger@dsf-atty.com	Lisa Koch Bryant courtmail@fbhllaw.net

Elliott D. Levin edl@rubin-levin.net	John M. Rogers johnr@rubin-levin.net	John David Hoover jdhoover@hooverhull.com
Sean T. White swhite@hooverhull.com	Jay P. Kennedy jpk@kgrlaw.com	John R. Burns john.burns@faegrebd.com
Michael W. McClain mike@kentuckytrial.com	William E Smith wsmith@k-glaw.com	Kayla D. Britton kayla.britton@faegrebd.com
James Edwin McGhee mcghee@derbycitylaw.com	Thomas C Scherer tscherer@bgdlegal.com	David A. Laird david.laird@moyewhite.com
Amanda Dalton Stafford ads@kgrlaw.com	Matthew R. Strzynski mstrzynski@kdlegal.com	Trevor L. Earl tearl@rwsvlaw.com
David Alan Domina dad@dominalaw.com	Kent A Britt kabritt@vorys.com	Joshua N. Stine kabritt@vorys.com
Jill Zengler Julian Jill.Julian@usdoj.gov	Jeffrey L Hunter jeff.hunter@usdoj.gov	Amelia Martin Adams aadams@dlgfirm.com
Michael Wayne Oyler moyler@rwsvlaw.com	Jason W. Cottrell jwc@stuartlaw.com	Robert A. Bell rabell@vorys.com
James E. Rossow jim@rubin-levin.net	James B. Lind jblind@vorys.com	Melissa S. Giberson msgiberson@vorys.com
Steven A. Brehm sbrehm@ bgdlegal.com	Anthony G. Raluy traluy@fbhllaw.net	U.S. Trustee ustpregion10.in.ecf@usdoj.gov
Patrick B Griffin pat.griffin@kutakrock.com	Jack S. Dawson jdawson@millerdollarhide.com	Dustin R. DeNeal dustin.deneal@faegrebd.com
Shawna M. Eikenberry shawna.eikenberry@faegrebd.com	Terry E. Hall terry.hall@faegrebd.com	Jay Jaffe jay.jaffe@faegrebd.com
James A. Knauer jak@kgrlaw.com	Erick P. Knoblock eknoblock@daleeke.com	Harmony A. Mappes harmony.mappes@faegrebd.com
Jessica Lynn Olsheski jessica.olsheski@justice-law.net	Shiv Ghuman O'Neill shiv.oneill@faegrebd.com	Wendy W. Ponader wendy.ponader@faegrebd.com
Niccole R. Sadowski nsadowski@thbklaw.com	Eric C. Redman ksmith@redmanludwig.com	Joe T. Roberts jratty@windstream.net
Joseph H. Rogers jrogers@millerdollarhide.com	James E. Smith jsmith@smithakins.com	Christopher E. Baker cbaker@thbklaw.com
Andrew D. Stosberg astosberg@lloydmc.com	Kevin M. Toner kevin.toner@faegrebd.com	Andrea L. Wasson andrea@wassonthornhill.com
Christopher M. Trapp ctrapp@rubin-levin.net	Eric W. Richardson ewrichardson@vorys.com	Joshua Elliott Clubb joshclubb@gmail.com

Jennifer Watt
jwatt@kgrlaw.com

William K. Flynn
wkflynn@strausstroy.com

Michael Benton Willey
michael.willey@ag.tn.gov

Chrisandrea L. Turner
clturner@stites.com

Scott R. Leisz
sleisz@bgdlegal.com

Terrill K. Moffett
kendalcantrell@moffettlaw.com

Matthew Daniel Neumann
mneumann@hhclaw.com

Chad Duane Wuertz
chad@wuertzlaw.com

Joe Lee Brown
Joe.Brown@Hardincounty.biz

Thomas P. Glass
tpglass@strausstroy.com

Kay Dee Baird
kbaird@kdlegal.com

Paul M. Hoffman
phoffmann@stinson.com

Brian H. Meldrum
bmeldrum@stites.com

Natalie Donahue Montell
nmontell@bgdlegal.com

Brian Robert Pollock
bpollock@stites.com

Ben T. Caughey
ben.caughey@icemiller.com

Stephen E. Schilling
seschilling@strausstroy.com

David W. Brangers
dbrangers@lawyer.com

Martha R. Lehman
mlehman@kdlegal.com

Kevin J. Mitchell
kevin.mitchell@faegrebd.com

Erin Casey Nave
enave@taftlaw.com

Steven Eric Runyan
ser@kgrlaw.com

/s/ Bret S. Clement

Bret S. Clement